

# 2005-2006 PERFORMANCE PLAN – CHIEF ACTUARY

## Qualitative Performance Measures

Weight	Factor	Performance Measure	Incentive Schedule	2 <sup>nd</sup> Quarter Status Report
20%	Actuarial Service Level Expectations	<ul style="list-style-type: none"> <li>For public agencies, complete all contract amendment cost analyses that do not require participant data changes within an average of 30 days.</li> <li>For State and Schools, complete all legislative cost analyses within the periods required by GOVA.</li> <li>Complete all Option 4 and subrogation requests within time periods established by the service level agreement with the Benefits branch.</li> <li>By October 31, 2005, mail 100% of all public agency 6/30/2004 annual actuarial valuation reports containing employer rates for the fiscal year 2006-07.</li> <li>By April 30, 2006, complete the annual actuarial valuations for the 1959 Survivor program, the Volunteer Firefighters Length of Service Award System, the Legislators Retirement System, and the Judges Retirement Systems I and II.</li> <li>By April 30, 2006, complete the calculation of the State employer contribution rates for the fiscal year 2006-2007.</li> <li>By April 30, 2006, complete the calculation of the School employer contribution rate for the fiscal year 2006-2007.</li> </ul>	From schedule	<p>Behind schedule: During the first six months of the fiscal year, 134 public agency amendment cost analyses were processed in an average of 33 days.</p> <p>On schedule: All legislative cost analyses have been produced on schedule.</p> <p>On schedule: All Option 4 and subrogation requests have been produced on schedule.</p> <p>Completed on schedule: All public agency reports were mailed by October 31, 2005.</p> <p>On schedule: All data and preliminary work for the all State, school, and special program annual valuation work is progressing on schedule.</p>
15%	Rate Stabilization Accounts	<ul style="list-style-type: none"> <li>By December 31, 2005 complete all analysis on rate stabilization accounts, so that the Board and legislature can make an informed decision on this subject</li> </ul>		Completed on schedule: Analysis delivered to the Board at the December Benefits and Program Administration Committee.
15%	CalPERS response to GASB 43 and 45 – retiree medical costs	<ul style="list-style-type: none"> <li>Placeholder for work that may be required depending on Board's decision on this issue.</li> </ul>		On schedule: The Board adopted a phased approach to this subject at the November Board meeting. A project manager has been named and analysis is ongoing.

## 2005-2006 PERFORMANCE PLAN – CHIEF ACTUARY (Continued)

### Qualitative Performance Measures (continued)

Weight	Factor	Performance Measure	Incentive Schedule	2 <sup>nd</sup> Quarter Status Report
10%	Employer Education and Communication Outreach	<ul style="list-style-type: none"> <li>By December 31, 2005, in conjunction with the Health Branch, complete and obtain DEO/CEO approval of a Strategic Employer Education and Communication Outreach Plan that envisions a strategy to improve the content of education and quantity and quality of communication in the retirement and health areas.</li> <li>By March 31, 2005, obtain DEO/CEO approval of a comprehensive work plan to implement the strategic direction previously approved.</li> </ul>		Behind schedule: One PY has been transferred to this project and is in place. The proposed plan is in the budget process and will be heard by Executive Staff on February 1, 2006t.
10%	CalPERS Educational Forum	By October 31, 2005, complete the 2005 Educational Forum and obtain an average satisfaction rating of 4.0 or higher on a scale of 1 to 5 of all completed attendee evaluations.		Completed On schedule: All is in place for a successful Forum in October 2005. The average satisfaction rating by attendees was in excess of 4.5%.
10%	Enterprise Wide Technology Projects	<p>Pension System Resumption (PSR)</p> <ul style="list-style-type: none"> <li>By September 30, 2005, release the Request for Proposal and complete conceptual proposal reviews.*</li> <li>By December 30, 2005, complete the Initial Draft Proposal Review.*</li> <li>By February 15, 2006, complete Final Draft Proposal Review.*</li> <li>By March 31, 2006, complete Final Proposal Review and vendor selection*</li> </ul> <p>Enterprise Billing, Accounts Receivable and Collections (EMBARC)</p> <p>* May be modified by responses in the procurement process.</p>		<p>PSR behind schedule:</p> <ul style="list-style-type: none"> <li>Completed on Schedule</li> <li>Completed on schedule</li> <li>Behind schedule – new scheduled completion date is March 31, 2006</li> <li>Behind schedule – new scheduled completion date is September 19, 2006</li> </ul> <p>EMBARC: On schedule</p>
10%	Special Projects	<p>Complete all unplanned tasks assigned by the Board or the Chief Executive Officer by the deadlines assigned. For example:</p> <ul style="list-style-type: none"> <li>DB/DC</li> <li>Compliance</li> <li>Communication and Employee Engagement</li> <li>New Product Development</li> </ul>		On schedule.

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10%	Succession Planning	Continue the development of a successor to the chief actuary and future supervising actuaries and supervising actuarial assistants		On schedule: We have established and filled the position of Managing Actuary. This position functions as division chief over the Actuarial Office with the Actuarial and Employer Services Branch.
100%	Total	Qualitative Measures		

Supervisor's Approval: Original signed by Fred Buenrostro

Date: January 25, 2006